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February 9, 2007

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
Attn: Doug Jensen
5094 West North Temple, Ste. 1210
PO Box 145801
Salt Lake City, UT 84114-5801

sent via fax 801-359-3940

Re: Reclamation Surety and Reclamation Contract between JG Resources LLC on Etna Mine, M0210009, Iron County, Utah

Dear Mr. Jensen,

Pursuant to the correspondence from Mr. Haddock dated January 24, 2007, we have remedied all issues. Please find enclosed a check for \$400.00 to make up the difference on the average cost estimate for 1 acre of disturbed area on the reclamation bond.

We have also included an amended Notice of Intention to commence small mining operations which very specifically and clearly state JG Resources as the operator and more correctly describes the total project service acreage to be disturbed as described as 1 acre as described in the process. I think all other issues in the Notice of Intention are clear. Also, I have resubmitted the Small Claim Reclamation Contract for your review.

If you have any questions, feel free to contact Jerry Glazier directly at 435-635-2572, or you may contact my office at the above address.

Christopher W. Edwards

Sincerely

Attorney for JG Resources LLCRECEIVED

FEB 1 5 2007

CHRISTOPHER W. EDWARDS

DIV. OF OIL, GAS & MINING